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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

In re Application of	Atty. Docket No.: 2596-001
Joseph NELSON *et al.*	
Appln. No.: 09/517,419	Group Art Unit: 3628
Filing Date: March 2, 2000	Examiner: Chencinski, S.

For: **SYSTEM AND METHOD FOR ELECTRONIC LOAN APPLICATION AND FOR CORRECTING CREDIT REPORT ERRORS**

Mail Stop Appeal Brief - Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Dear Sir:

Enclosed please find the following:

1. Reply Brief (original and 2 copies).

The Commissioner is hereby authorized to charge any fee deficiency, or credit any overpayment, to Deposit Account No. 18-1579. The Commissioner is also authorized to charge Deposit Account No. 18-1579 for any future fees connected in any way to this application. A copy of this letter is enclosed.

Respectfully submitted,

Christopher B. Kilner
Registration No. 45,381
Roberts Abokhair & Mardula, LLC
11800 Sunrise Valley Drive, Suite 1000
Reston, VA 20191
(703) 391-2900

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* * * * *

REPLY BRIEF

* * * * *

Dear Sir:

Applicant hereby submits this Reply Brief in response to the Examiner's Answer of March 9, 2004.

Respectfully submitted,

Christopher B. Kilner, Esq.
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(703) 391-2900

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* *

APPELLANTS' REPLY BRIEF UNDER 37 C.F.R. § 1.193(b)(1)

* *

Mail Stop Appeal Brief - Patents
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P.O. Box 1450
Alexandria, VA 22313-1450

Dear Sir:

In accordance with the provisions of 37 C.F.R. § 1.193(b)(1), Appellants request withdrawal of the final rejection and submits the following:

Appellants hereby affirm that items I-V, and VII of, and the Appendix to, the Brief on Appeal filed May 27, 2003 remain the same and that item VI of the Supplemental Brief on Appeal filed January 15, 2004 remains the same. It is Appellants' understanding that there is no need to reiterate contentions and information which were set forth in the Brief on Appeal. See 62 Fed. Reg. 53,132, 53,169 (1997) ("Contentions (or information) set forth in a previously filed appeal (or reply brief) need not be reiterated in a reply brief or supplemental appeal brief.").

VIII. ARGUMENTS

The Examiner's Answer included a section titled ***(11) Response to Argument*** that addressed Issues 1-3. In reply, Appellants submit the following:

Issue 1

In the response to Issue 1, dealing with Appellants' assertion that there is no suggestion or motivation to combine the applied references, the Examiner's arguments fail on multiple grounds.

The Examiner correctly asserts "Novastar teaches a system and method of *automated loan origination and approval*" that correctly reflects the process of *underwriting a loan*. Indeed, the Novastar reference discusses their "Internet Underwriter" application, which is described as for use by "retail mortgage brokers, mortgage companies and financial institutions." However, underwriting a loan and making "prospective adjustments to the borrower's credit profile" is *not the same* as the process of a consumer applying for a loan and automatically generating a dispute communication related to a credit reference, as presently claimed.

The mere fact that "the ability to correct any inaccuracies in the credit report and enter prospective adjustment to the borrower's credit profile" was known in the prior art of on-line loan underwriting tools suggests that the prior art considered credit correction to be an underwriter function, not a function of loan applicants. Clearly, there is no indication in paragraph 6 of Novastar that the "customized web pages...dealing directly with the consumer" suggests that consumers can modify or correct their credit.

With respect to the Examiner's statements/implications regarding Appellants' arguments spanning pages 6-7 of the Supplemental Brief on Appeal, that Novastar has no need for scanning supporting documents since, as underwriters, the UI users would already have the supporting documentation, it appears that the Examiner's statements support Appellant's position. One of the fundamental differences in loan applications and loan underwriting is that the application involves the collection of supporting documents to be later used by the underwriters. The "borrower information" in the underwriting of Novastar includes information from both the application and the supporting documentation and the underwriter will typically already have the supporting documentation by ordinary means - mail, facsimile, etc. as discussed by the Examiner. As such, an underwriter would be on the receiving end of the supporting documentation and therefore have no need to assemble and scan supporting documents from a borrower for a loan to create an electronic copy of the supporting documents.

Even if the Examiner was correct in asserting that Novastar inherently teaches borrowers deciding to dispute credit references and designating credit references to dispute, the claim limitations require much more:

> "the borrower designating **electronically** those credit references to be disputed;
> the borrower **designating to the loan application server electronically the reason for disputing the credit reference**; and
> the **loan application server automatically generating a dispute communication relating to the credit reference.**"

With respect to combining Novastar with Mennie et al., the Examiner cites portions of Mennie et al. that discuss electronic document processing of "loan applications...and all other

types of *forms with predetermined fields*." In this regard, Mennie et al. is superfluous since the Novastar reference already has electronic entry of borrower information (the forms with predetermined fields). With respect to Mennie et al. teaching at lines 25-26 of paragraph [0103] that the system can be used to capture "any document" being relied upon by the Examiner, Appellants note that the term "document" is defined in such a way earlier in the same paragraph to exclude the supporting documentation claimed. As, such, Mennie et al. nowhere suggests the scanning of supporting documents and has clearly been cited by the Examiner based solely on *impermissible hindsight.*

Likewise, with respect to the combination of ique.com with Novastar, there is no reason to look to or combine ique.com's credit report ordering since Novastar already taught that its Internet Underwriter can "receive credit information." In view of this, one of ordinary skill in the art would have no reason to look beyond Novastar for credit report information handling *absent impermissible hindsight.*

Although the Examiner alleges that "each of the requirements of *In re Fine, In re Jones, In re Nomiya, In re McLaughlin* and *In re Bozek* have been satisfied," Appellants submit that the Examiner has failed to make a *prima facie* case for combining iQue.com with Novastar. "There are three possible sources for a motivation to combine references: the nature of the problem to be solved, the teachings of the prior art, and the knowledge of persons of ordinary skill in the art." *In re Rouffet,* 149 F.3d 1350, 1357, 47 USPQ2d 1453, 1457-58 (Fed. Cir. 1998) (The combination of the references taught every element of the claimed invention, however without a motivation to combine, a rejection based on a *prima facie* case of obvious was held improper.)

iQue.com teaches the ordering of custom "MergeRight" credit data for use by banks in making quicker loan decisions, which merely suggests use by underwriters, not "requesting a credit report via *the loan application terminal*" or "receiving the credit report comprising credit references and *parsing the credit references in a user-configurable manner*" as required by claim 1. As neither Novastar nor iQue.com address the problem to be solved of loan *application* and *credit correction by borrowers*, there is no reason to combine them based on the nature of the problem. As for the teachings, both references, again, are related to loan underwriting (Novastar's UI program and iQue.com's MergeRight for bank loan approvals), not borrower applications, such that they might be properly combinable to render an invention related to underwriting unpatentable, but *neither teach the ordering or parsing of credit data as part of a loan application by a borrower for the purpose of credit correction.*

As for "the knowledge of persons of ordinary skill in the art," Appellants note that credit ordering, parsing, and correction by the borrower as part of a loan application process is novel and that those of skill in the art would consider this an underwriter function, as demonstrated by the Novastar and iQue.com references.

Indeed, Appellants stress that two references, Novastar and iQue.com, are drawn to systems used in the back-end of loan processing: Novastar is drawn to the back-end of loan underwriting, not the front end of loan applications; likewise, iQue.com suggests use in loan approvals. Mennie et al. teaches electronic document processing of loan applications, but not the claimed supporting materials. The present invention is drawn to the front-end of loan processing - that of loan application and borrower credit item dispute, and is fundamentally different from

the applied prior art.

Issue 2

Issue 2 relates to arguments concerning viewing the invention and the prior art "as a whole." As touched upon above, the present invention, "as a whole," is related to electronic credit repair by borrowers, with or without an associated loan application, and is part of the front-end process of applying for a loan or repairing one's credit (in preparation for applying for a loan).

In regard to claims 1, 2, and 4, the Examiner is erroneous in stating that Mennie et al. "cites the scanning of every kind of document in any format, including the scanning of supporting documents for a loan application" and citing to paragraph [0103], lines 5, 6, 10, and 25-31. Although lines 25-31 state: "The system may also be used to capture any document image for electronic document display, electronic document storage, electronic document transfer, electronic document recognition (such as denomination recognition or check amount recognition) or any other processing function that can be performed using an electronic image," the term "document" is defined earlier in paragraph [0103].

"By 'currency', 'documents', or 'bills' it is meant to include not only conventional U S or foreign bills, such as $1 bills, but also to include checks, deposit slips, coupon and loan payment documents, food stamps, cash tickets, savings withdrawal tickets, check deposit slips, savings deposit slips, and all other documents utilized as a proof of deposit at financial institutions. It is also meant by the term 'documents' to include loan applications, credit card applications, student loan applications, accounting invoices, debit forms, account transfer forms, and all other types of

forms with predetermined fields." Para. [0103], lines 2-13, emphasis added. Loan support documents are not included by this definition.

The Examiner has also improperly made inferences at the point of novelty by claiming that Novastar somehow implies that borrowers direct the credit correction in Novastar. Even if true, there is no suggestion for the borrower to do it electronically or to have a server generate a dispute communication automatically.

In regard to claims 5 and 20, Appellants note that Tengel et al., like most of the previous references, is, as a whole, drawn to the back-end loan-processing task of matching applicants with lenders. The borrowers or users of Tengel et al. do not order the credit information and the borrowers or users of Tengel et al. do not configure or view any parsed information.

Dykstra et al. is likewise drawn to the prior art standard of having the back-end of the loan processing system order and evaluate the borrower's credit report (see Figs. 2C, 2D, and 2E), without any means for the borrower to dispute credit items. As a whole, it teaches against the principles of the present invention.

Issue 3

Issue 3 relates to the Appellants' arguments that all claim limitations are not shown in the prior art.

With regard to Mennie et al., as previously mentioned above, the term "documents" is limited by definition in Mennie et al. to render the Examiner's assertions erroneous.

With regard to iQue.com, the custom MergeRight report of iQue.com is only custom, not user-configurable as claimed and disclosed ("parsed data from each tradeline is used to populate

an interactive configurable electronic form that is submitted to the borrower," page 6, lines 16-18).

The citations related to Tengel and Dykstra on page 22 of the Examiner's answer have no association with the missing limitations, and thus require no response.

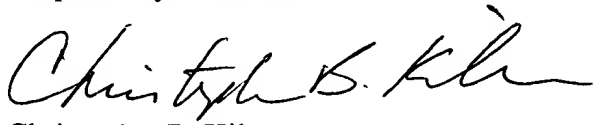
IX. CONCLUSION

For the above reasons, Appellant respectfully submits that the Application conforms to the requirements of 35 U.S.C. §102/103 and that the Office Action of August 15, 2003 and Examiner's Answer of March 9, 2004 have failed to make out a *prima facie* case of obviousness with regard to claims 1, 2, 4, 6-12 and 16-22, and therefore asks that the obviousness rejections be reversed.

The present Reply Brief is being filed in triplicate.

Appellant hereby petitions for any extension of time that may be required to maintain the pendency of this case, and any required fee for such extension is to be charged to Deposit Account No. 18-1579.

Respectfully submitted,



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